Bureau of Plant and Industry Issue

Backgrounder:

The International Standard of Phytosanitary Measures No. 15 (ISPM-15) issued by the World Trade Organization (WTO), required the treatment of all wood packaging materials (WPM) used in international trade to prevent the spread of plant/wood pests and diseases.

In the Philippines, the Bureau of Plant and Industry (BPI) is the government agency tasked to implement ISPM–15. As a result, BPI issued Administrative Order No. 1- 2004, which required the presence of BPI quarantine inspectors in all heat treatments and fumigations done to all wood packaging materials of export products.

The problem started when there was a shortage of BPI Quarantine inspectors to inspect all treatment of WPM used in exports. Later on, exporters started to complain about the fees that BPI Quarantine inspectors are charging from about Php 600.00 to Php 1,500.00, without issuing official receipts. These fees according to BPI inspectors are for their meals, transportation and overtime allowance.

Chronology of events

October 21, 2004: The Bureau of Plant and Industry (BPI) issued BPI Administrative order No. 1 – 2004 entitled "Guidelines for regulating wood packaging material involved in international trade"

1st quarter of 2005: BPI made a series of information drives regarding BPI AO No. 1 -2004.

2nd quarter of 2005: BPI Cebu started accrediting fumigating companies to handle the treatment of wood packaging materials used in export goods.

3rd quarter of 2005: Many exporters in Cebu, particularly in the Gifts Toys and Houseware sectors started complaining on the lack of BPI quarantine inspectors and the high fees they collected without official receipts.

4th quarter 2005: Philexport Cebu formally raised the issue of lack of BPI inspectors that caused delays on shipments of export goods.

January 18, 2006: Philexport Cebu raised the issue of fees collected by BPI Quarantine inspectors ranging from Php 600 to Php 1, 500 per container inspected without issuance of official receipt. BPI inspectors are collecting the fees supposedly to cover their transportation, meals and overtime.

March 10 2006: Philexport Cebu thru its Chairman Alvin Lim, raised the issue of fees collected by BPI quarantine inspectors without official receipts in the Exporters Congress held in Tagaytay Highlands. Exporters in Region 3 and in Subic are also complaining of the same fees which amounts to 1,500 pesos per container inspected.

February 28, 2006: OIC-Director of BPI head office, Lealyn A. Ramos, in a letter-answer, denied that BPI quarantine inspectors are charging exporter exorbitant fees.

Ms. Ramos said that BPI quarantine inspectors are only allowed to charge exporters of "inspection fees plus the reimbursement of expenses and overtime pay of the PQ officer only if and when the services rendered by the PQ officers exceed the regular working hours of the government.

BPI head office requested Philexport Cebu to report any BPI Inspectors who charge exporters exorbitant fees.